

Department of Legislative Services  
Maryland General Assembly  
2011 Session

**FISCAL AND POLICY NOTE**

Senate Bill 712  
Finance

(Senator Klausmeier)

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**Health Insurance - Carrier Provider Panels - Medical Laboratories**

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This bill prohibits an insurer, nonprofit health service plan, health maintenance organization, or dental plan organization (carrier) – or an entity that arranges a provider panel for a carrier – from rejecting an application of a medical laboratory for participation on the carrier’s provider panel if the medical laboratory accepts the carrier’s terms and conditions for participation.

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**Fiscal Summary**

**State Effect:** The bill does not directly affect governmental operations or finances.

**Local Effect:** None.

**Small Business Effect:** Meaningful for any small business medical laboratory that could contract with a provider under the bill.

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**Analysis**

**Current Law:** A carrier may reject an application for participation or terminate participation on its provider panel based on the participation on the provider panel of a sufficient number of similarly qualified providers.

A “medical laboratory” is any facility, entity, or site that offers or performs tests or examinations connected with the diagnosis and control of human diseases or the assessment of human health, nutritional, or medical conditions or in connection with job-related drug and alcohol testing. Any laboratory owned or operated by the State, a county, or municipal corporation in the State is considered a medical laboratory.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 851 (Delegate Kach) - Health and Government Operations.

**Information Source(s):** Maryland Insurance Administration, Department of Health and Mental Hygiene, Department of Budget and Management, Maryland Health Insurance Plan, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2011  
ncs/mwc

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